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MONICA MILLNER
RADAR FISHMAN & GRAUER PLLC
1233 20TH STREET NW
SUITE 501
WASHINGTON, DC 20036

EXAMINER

HEWITT II, CALVIN L

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BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Paper No. 21

Application Number: 09/194,051
Filing Date: March 25, 1999
Appellant(s): SUGIYAMA, AKIRA

MAILED

OCT 09 2002

Brian K. Dutton, Reg. No. 47,255
For Appellant

GROUP 3600

EXAMINER'S ANSWER

This is in response to the appeal brief filed 15 July 2002.

(1) *Real Party in Interest*

A statement identifying the real party in interest is contained in the brief.

(2) *Related Appeals and Interferences*

The brief does not contain a statement identifying the related appeals and interferences which will directly affect or be directly affected by or have a bearing on the

decision in the pending appeal is contained in the brief. Therefore, it is presumed that there are none. The Board, however, may exercise its discretion to require an explicit statement as to the existence of any related appeals and interferences.

(3) Status of Claims

The statement of the status of the claims contained in the brief is correct.

(4) Status of Amendments After Final

No amendment after final has been filed.

(5) Summary of Invention

The summary of invention contained in the brief is correct.

(6) Issues

The appellant's statement of the issues in the brief is correct.

(7) Grouping of Claims

Appellant's brief includes a statement that claims 1-39 stand or fall together and **(8)**

Claims Appealed

The copy of the appealed claims contained in the Appendix to the brief is correct.

(9) Prior Art of Record

5,933,625	SUGIYAMA	8-1999
5,502,765	ISHIGURO et al.	3-1996

provides reasons as set forth in 37 CFR 1.192(c)(7) and (c)(8).

Steve Petri, Litronic- www.litronic.com, "Smartcard Solutions in the Real World: An Introduction to Smartcards", 1998

Jerry M. Rosenberg, Dictionary of Computers, Information Processing and Telecommunications, Second Edition, 1987, page 183

(10) *Grounds of Rejection*

The following ground(s) of rejection are applicable to the appealed claims:

This Office Action is in response to the Petition to Withdraw the Final Office Action mailed July 27, 2001. In response to the Petition, the Examiner has provided references below to support the Official Notice. However, the FINALITY of this action is maintained.

Response to Amendments/Arguments

In response to the Amendment, the Examiner maintains the objection to claims 16-22 because the word "mater" is misspelled. The Examiner also maintains the 112 second paragraph rejection to claim 4 for continuing to recite the term "peculiar". The term is vague and the Applicant does not provide sufficient information such that one of ordinary skill in the art would identify that is peculiar to a computer. Similarly, claims 10 and 16-19 are rejected because they recite the term "various". Regarding the Official Notices, the Examiner reiterates

his assertions that smart cards and distributed processing are well known. For example, French banks began issuing these cards around 1984 (www.litronic.com reference, page 2, last paragraph) while, the Dictionary of Computers, Information Processing and Telecommunications provides definitions for "distributed data processing", "distributed data-processing network", and "distributed function". Finally, the Examiner would like to address the Applicants' sentiment regarding the Examiner's appliance of the prior art, in particular, the Examiner's motivation statements. The Examiner would like to refer the Applicant to page 2100-101 of the MPEP, which clearly states,

The rationale to modify or combine the prior art does not have to be expressly stated in the prior art; the rationale may be expressly or impliedly contained in the prior art or it may be reasoned from knowledge, generally available to one of ordinary skill in the art, established scientific principles, or legal precedent established by prior case law.

Therefore, the Examiner maintains the rejection to claims 1-39.

Double Patenting

Claims 1-39 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 1-7 of U.S. Patent No. 5,933,625 in view of Ishiguro et al., U.S. Patent No. 5,502,765.

As per claims 1-39, the Applicant in U.S. Patent No. 5,933,625 claims a unique time generating device that:

- sequentially outputs unit time values at predetermined intervals over a preset time measuring period with given start and end points (claim 1- column/line 23/45-24/11)
- accumulates time values over the time-measuring period (claim 1- column 24, lines 3-7)
- provides for the communication between a plurality of computers of data based on timer signals (claims 5 and 6- column 24, lines 23-39)
- provides a master and subordinate processing environment (claims 6 and 7, column 24, lines 36-45)

The Applicant in U.S. Patent No. 5,933,625 does not teach of "time" renewal in claims 1-7. But, the Applicant does teach of time data being accumulated over a "pre-set time measuring period" and a timer that generates "periodic timer signals". Hence, it would have been obvious to apply "time" renewal means to the system and store these renewals in the system in order to further the life of the system and facilitate transactions whose life cycle extends beyond the initial fixed time period. However, the claims do not teach of registering means, appending new data to existing data, IC cards and IC card applications, card verification, data collation, data updates and storage of time data. Ishiguro et al. disclose an IC card settlement method with a system of management, terminal and dispenser computers that provide for:

- appending new data to existing data (column 13, lines 47-55; column 26, lines 11-24)
- registration means (column 13, lines 51-55; column 14, lines 3-5; column 15, lines 37-40; column 16, lines 7-10)
- IC cards and IC card applications (figure 1; column 1, lines 11-67; column/line 5-42-6/13; column 8, line 33-47; column 20, lines 10-29)
- IC card storage (column 9, lines 6-21; column/line 16/58-17/16)
- card verification, validation and invalidation (column/line 7/60-8/23; column 8, lines 48-51; column 9, lines 6-22; column 14, lines 3-25; column/line 17/60-18/2)
- time-data and data collation (column/line 7/60-8/23; column 8, lines 48-51; column 9, lines 6-22; column 16, lines 1-10; column 17, lines 5-16)
- (sequential) time data updates and storage (column 15, lines 37-63; column 16, lines 1-10)
- using time data to authorize cards (column/line 15/54-16/10; column/line 17/5-18/2; column 25, lines 50-53)
- input/output devices (column/line 5/65-6/6)
- data unique to a computer and card (column 15, lines 28-67; column 25, lines 45-54)

In addition, Ishiguro et al. apply their system to remote computers in a communication link with a management center (figure 1; column 5, lines 42-64; column 7, lines 51-59; column 11, lines 3-11; column 13, lines 48-54; column 14, lines 3-8; column 15, lines 54-60; column 20, lines 10-29; column 25, lines 28-63; column 26, lines 3-10). As well as local computers possessing the authorization functionality of a management computer (column 20, lines 10-29; column 24, lines 19-39; column 26, lines 10-24).

However, neither the Applicant in claims 1-7 of U.S. Patent No. 5,933,625 nor Ishiguro et al. detail the system in terms of specific commerce applications of an IC or smart card. While Ishiguro et al. mention pre-paid cards (column 15; lines 9-11) and telephone controllers (column 15, lines 16-19) for example, absent are the business systems that support these and other IC card functions. Hence, the Examiner takes Official Notice that IC or smart cards that are used in electronic money applications or monetary transactions and that interact with gaming, banking or travel computers systems are well known in the art of online or offline electronic commerce. Therefore, it would have been obvious to combine the Applicant's teachings with those of Ishiguro et al. The motivation is as follows:

Distributive business systems are well known and widely used. It is also well known that the reduction in computing costs and the increase in processing speed has lead to a paradigm shift away from mainframes. Hence, firms have

increased the functionality of remote computers as well as the physical distance between these computers and the firms' central or main computer. In other words, the role played by these remote or local computers in terms of executing a firm's objectives has become primarily a matter of design as the technology exists to support most enterprise models. Further, it would have been obvious to have the system's central, main, supervisor, managerial... etc. computer to take on the role of "official time-keeper". As the central computer serves as the controller and primary processing reference for a plurality of subordinate computers (figure 1), all other computers should be synchronized in accordance with the managerial computer (figure 1) in order to maintain system integrity. In addition, claims 5 and 6 of U.S. Patent No. 5,933,625, detail a system where computers communicate using unique time data. While Ishiguro et al. disclose an IC card verification system where computers exchange data via a communication network (column 5, lines 41-64). Ishiguro et al. also provide a system where card validation is conducted over said network using time stamp data (column/line 15/12-18/26). Note Ishiguro et al. do not specify nor do they utilize a verification approach that relies upon a particular time keeping method. Therefore, their method for account settlement via IC cards is method of "time keeping" independent and would work equally well whether using Greenwich time or the "unique" time approach put forth by the Applicant (U.S. Patent No. 5,933,625).

(11) Response to Argument

35 U.S.C. § 112, second paragraph

The Examiner withdraws the rejections to claims 4, and 10 and 16-19 based on the use of the words "peculiar" and "various".

Obviousness-Type Double Patenting

The Appellant is of the opinion that the Examiner erred in rejecting claims 1-39. However, the Examiner would like to point out that the Appellant's position is not based on what is taught by the prior art but what the prior art of Sugiyama (i.e. claims) and Ishiguro would have presented to one of ordinary skill. For example, the Appellant attempts to discredit the Examiner's motivation to combine by casting doubt on the economic benefits of distributed computing. Similarly, the Appellant was apparently shocked to learn that a smart or IC card (e.g. a credit or debit cards that contain a microchip) can be used for financial transactions. Thus, in each case, the Examiner provided a reference to support his position (Rosenberg and Petri, respectively). In response, the Appellant boldly ignores the Petri reference (Brief page 22, lines 1-3) and deems the Rosenberg reference insufficient (Brief, page/line 20/22-21/8).

The Appellant is of the opinion that the Petri reference is not prior art as it exhibits a copyright date of 1998, while the Appellant's filing date is 1997. However, the

Examiner did not rely on Petri to reject any of the Appellant's claims. The Petri reference was merely supplied to support the Examiner's assertion that smart cards "... used in electronic money applications or monetary transactions" and in conjunction "... with gaming, banking or travel computers systems" are old and well known. The fact the Appellant's filing date predates the Petri white paper does not in no way shape or form refute the **fact** that French Banks introduced chip-incorporating bank cards in 1984 and that by 1986 millions of telephone smart cards where in circulation in France. Hence, the Petri reference has served its purpose of establishing the validity of the Examiner's assertion. Further, regarding the lack of explicit recitation of financial motivation for one of ordinary skill in the art to implement a distributed computing strategy in light of the Rosenberg disclosure- the court's position is clear:

Problem cannot be approached on basis that workers in the art would know only what they could read in references... (*In re Jacoby*, 135 USPQ 317 (CCPA 1962))

A reference is to be considered not for what it expressly states, but for what it would reasonably have suggested to one of ordinary skill of the art (*In re Delisle*, 160USPQ 806 (CCPA 1969))

Having established that this knowledge was in the art, the examiner could then properly rely, as put forth by the solicitor, on a conclusion of obviousness 'from **common knowledge and common sense** of the person of ordinary skill in the art without any specific hint or suggestion in a particular reference (*In re Bozek*, 163 USPQ 545 (CCPA 1969))

The Appellant raises the issue of renewal means (claims 30-35). In particular, the Appellant states that the prior art of Sugiyama (claims 1-7) and Ishiguro do not contain a

sufficient of how to obtain the desired result of applying, "... renewal means to the system and store these renewals in the system in order to further the life of the system and facilitate transactions whose life cycle extends beyond the initial fixed time period" (Appellant's Brief on Appeal, page 12, lines 13-20; page 13, lines 17-20). The Examiner respectfully disagrees. Sugiyama is dedicated to providing a time reference in computers ('625, claims 1 and 5), while Ishiguro teaches an authentication data issuing system ('765, column 17, lines 6-12; column/line 19/29-20/29) that generates time reference data (e.g. time stamps) ('765, column 17, lines 7-67) and provides means (e.g. card, terminal) for updating data (i.e. renewal means) and stores the updated card usage data (i.e. renewal data) in the system in order to facilitate transactions whose life cycle extends beyond the initial service (i.e. initial fixed period) ('765, column/line 16/65-17/12; column 18, lines 57-67). Such as, the appending of new usage data to old data in order to create complete card usage history where the initial fixed period is the time between terminal access or between card utilization ('765, column/line 19/29-20/29). The Appellant again contends that the prior art does not support the Examiner's motivation to combine, in particular, a main or central computer acting as the system's "official time-keeper" (Appellant's Brief on Appeal, page 17, lines 6-10). However, this has been addressed by the case law of: *In re Delisle*, 160USPQ 806 (CCPA 1969), *In re Bozek*, 163 USPQ 545 (CCPA 1969) and *In re Jacoby*, 135 USPQ 317 (CCPA 1962). Nonetheless, Ishiguro teaches a central managing computer ('765, figure 1; column 5, lines 42-65; column 13, lines 47-67) and time stamps for authenticating data ('765,

column 17, lines 6-67). Therefore, using a subordinate computer, such as a card terminal ('765, figure 1), to act as a time reference can lead to inaccurate data. Notice that terminals 2b and 2a are not connected; hence, there is an increased possibility for time data from terminal 2a to be inconsistent with data from terminal 2b as there is no communication link between the two.

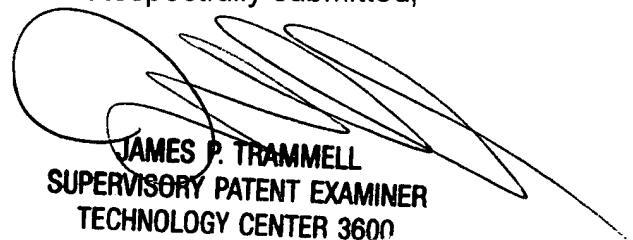
The Examiner would also like to point out that, in questioning the merits of the Examiner's rejection, the Appellant **erroneously** states that the Examiner refers to figure 1 of the '625 patent in his rejection (Brief, page 14, lines 6-10). This is clearly false. A quick inspection of figure '625 reveals no central or managerial computer serving as a controller to a plurality of subordinate computers. While figure 1, of the Ishiguro patent, explicitly displays a managerial computer ('765, figure 1, item 4) serving as a central computer to a plurality of subordinate computers ('765, figure 1, items 2a-b, 5 and 6). The Appellant attempts to further confuse matters by pointing out the failure in Rosenberg and Petri to teach certain features of the Appellants claimed invention (Brief, pages 15, 16, 20 and 21) and bringing up the issue of an Examiner's affidavit (Brief page 18). Recall Rosenberg and Petri, were introduced, at Appellant's request, only to provide support for Examiner's assertion concerning the applications of smart cards and distributed processing. Therefore, it is irrelevant whether or not Rosenberg teaches smart cards or Petri teaches reduction in computing costs. And finally, the Examiner has not referred to, or relied on any personal knowledge in order to reject the Appellant's claims. The Examiner relied only on the Ishiguro patent and the claims of the Sugiyama

patent and when the Appellant challenged the Examiner's assertions of what is well-known, the Examiner provided references to support his position (Rosenberg and Petri). Therefore, the Appellant's attempt, to circumvent the Examiner's rejection by arguing a non-forthcoming Examiner's affidavit is moot.

The Appellant's arguments are not persuasive in that they do not give fair credit to what the Ishiguro patent and the claims of Sugiyama patent would have rendered obvious when presented to those of ordinary skill in the appropriate art.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,


JAMES P. TRAMMELL
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600

Calvin Loyd Hewitt II
October 7, 2002

Conferees

James P. Trammell 

Melanie Kemper 

MONICA MILLNER
RADAR FISHMAN & GRAUER PLLC
1233 20TH STREET NW
SUITE 501
WASHINGTON, DC 20036